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COORDINATION QUESTIONS: REPORTS OF THE COORDINATION BODIES

Annual overview report of the Administrative Committee on Coordination for 1992

SUMMARY

The present report was prepared in order to provide the substantive session of the Economic and Social Council for 1993 with up-to-date information on the results of the ACC's consideration of issues - such as the coordination of humanitarian assistance and the follow-up to the United Nations Conference on Environment and Development - currently before the Council and to inform the session of the outcome of the ACC's review of its own functioning and methods of work, which was completed at the first regular meeting of ACC in April 1993. In addition to covering ACC activities in 1992, it includes the results of the first regular meeting of ACC of 1993. Information on the outcome of that meeting was provided orally to the Committee for Programme and Coordination at its session in May 1993.

* E/1993/100.

CONTENTS

		Paragraphs	Page
FOREWORD BY THE SECRETARY-GENERAL		1 - 5	4
INTRODUCTION		6 - 7	5
I.	REVIEW OF THE FUNCTIONING OF ACC AND ITS SUBSIDIARY MACHINERY	8 - 27	5
II.	FOLLOW-UP TO THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT	28 - 33	8
III.	COORDINATION OF HUMANITARIAN ASSISTANCE: EMERGENCY RELIEF AND THE CONTINUUM TO REHABILITATION AND DEVELOPMENT	34 - 45	12
IV.	OPERATIONAL ACTIVITIES FOR DEVELOPMENT	46 - 67	14
	A. Reform and restructuring	48	14
	B. Triennial policy review of operational activities	49 - 51	14
	C. Country strategy note	52	15
	D. Programme approach	53 - 54	15
	E. National execution	55	15
	F. National capacity-building	56	16
	G. Successor arrangements for support costs	57	16
	H. Decentralization	58 - 59	16
	I. Field-level collaboration	60	17
	J. Programme of Action for the Least Developed Countries for the 1990s	61 - 62	17
	K. Simplification and harmonization	63 - 64	17
	L. Organizations without independent field representation	65	18
	M. Refugee aid and development	66	18
	N. Operational activities training	67	18

CONTENTS (continued)

		Paragraphs	Page
V.	PREPARATION FOR THE TWENTY-SEVENTH SERIES OF JOINT MEETINGS OF THE COMMITTEE FOR PROGRAMME AND COORDINATION AND THE ADMINISTRATIVE COMMITTEE ON COORDINATION	68	19
VI.	ASSISTANCE TO COUNTRIES MOST AFFECTED BY SANCTIONS CONCERNING IRAQ, IN THE CONTEXT OF ARTICLE 50 OF THE CHARTER OF THE UNITED NATIONS	69 - 74	19
VII.	RESPONSE OF THE ADMINISTRATIVE COMMITTEE ON COORDINATION TO RECENT INTERNATIONAL DEVELOPMENTS	75 - 90	21
	A. Implications for the United Nations system of the transition process in Eastern and Central Europe and in the States of the Commonwealth of Independent States	75 - 83	21
	B. Inter-agency implications of the eighth session of the United Nations Conference on Trade and Development	84 - 90	23
VIII.	FINANCIAL, ADMINISTRATIVE AND PERSONNEL ISSUES	91 - 108	25
	A. Personnel and general administrative issues	91 - 98	25
	B. Financial issues	99 - 108	26

FOREWORD BY THE SECRETARY-GENERAL

1. In my foreword to the previous annual overview report of the Administrative Committee on Coordination (ACC) (E/1992/11/Add.2), I referred to the profound changes taking place in international relations and to the far-reaching implications which those changes carried for the United Nations system.

2. I especially emphasized the unprecedented opportunities which the greater willingness of the international community to act through the United Nations offered for all the organizations of the system. I noted that the new situation required a collective system-wide response, which should ensure that the overall capacity of the system for research and policy analysis, financing for development, and technical assistance was mobilized in a concerted and mutually reinforcing way.

3. Subsequently, in my foreword to the Secretary-General's report, "Enhancing international cooperation for development: the role of the United Nations system", before the substantive session of the Council for 1992 (E/1992/82/Add.1), and in my "Report of the work of the Organization" for 1992, I pointed to the critical role which ACC was called upon to play in translating those approaches into practical action, bringing the wide range of mandates and expertise available to the system to bear on the work of intergovernmental bodies and supporting them with well-grounded policy options. I stated that ACC must be the guiding force in introducing greater coherence in the work of the United Nations system, in response to the policies and priorities set by Member States, and indicated some of the conditions - at the level of the United Nations as well as in terms of inter-agency structures and relationships - which would enable the Committee to play that role fully.

4. During the past 12 months, those themes were extensively discussed in ACC, in the context of the Committee's review of its own functioning and methods of work. They also found practical expression in the Committee's consideration of the follow-up to the United Nations Conference on Environment and Development and the coordination of humanitarian assistance. The outcome is outlined in the body of the present report.

5. Under the new arrangements introduced by the Economic and Social Council in 1992, a most useful dialogue on these themes was initiated between ACC members and the Council. The agenda of the forthcoming session of the Council - which includes items such as the preparations for the Social Summit and the continuum between emergency relief and development, which are crucial to enhancing the contribution of the United Nations system to international cooperation for development - provides an especially valuable opportunity for pursuing and deepening this dialogue.

INTRODUCTION

6. The present report covers the outcome of the first and second regular sessions of ACC of 1992 and the first regular session of ACC of 1993.

7. ACC welcomes the opportunity provided during the High-Level, Coordination and Operational Activities segments of the Economic and Social Council for a dialogue between Governments and the executive heads of the organizations of the United Nations system. It expresses its readiness to work closely with the Council in its efforts to enhance the coherence and impact of the activities of the United Nations system in the economic, social and related fields. ACC is confident that, as the current phases of reform of both the intergovernmental machinery and the inter-agency structures are completed, the United Nations system will be in a better position to respond effectively to the new and changing requirements of the international community.

I. REVIEW OF THE FUNCTIONING OF ACC AND ITS SUBSIDIARY MACHINERY

8. The initiative for a review of ACC's functioning and methods of work was taken at the first regular session of ACC of 1992, in the context of a discussion on the new challenges which the 1990s posed for international cooperation and on the need to strengthen policy coordination at both national and international levels, to bring about a new and more integrated approach to peace-building and economic and social development.

9. In considering ways of enhancing its contribution in this respect, as a Committee of executive heads responsible for ensuring the coordination of programmes approved by the respective governing bodies, ACC recognized that participation in the Committee implied an individual as well as a collective responsibility for providing impetus and effective direction to the work of the system, within the policy guidance provided by the intergovernmental deliberative organs.

10. In that spirit, approaches underlying the functioning of the Committee were reviewed and a number of guidelines agreed upon. The Secretary-General, in his capacity as Chairman of ACC, will submit for discussion by ACC any programme or proposal of a general or system-wide nature, the significance and content of which necessitate prior consultation with the agencies concerned and their subsequent cooperation in follow-up and implementation, and will keep the Economic and Social Council or the General Assembly fully apprised of the outcome of these consultations.

11. Members of ACC for their part undertook to carry out the necessary consultations within the framework of ACC when launching, on their own initiative, any operation - such as the organization of an international or world conference on a subject which involves the mandates and interests of a number of United Nations organizations - the implementation of which will require contributions by several, or all, members of ACC.

12. They will also convey to their deliberative organs major initiatives within the United Nations system of particular relevance to their organizations or in which their organizations are expected to participate. The Secretary-General

will, similarly, keep the Economic and Social Council and the General Assembly informed of major initiatives of the agencies.

13. ACC also agreed on a number of measures to improve its working procedures, consolidating, in some cases, innovations introduced by the Secretary-General during the past three sessions. The objective was to ensure greater selectivity and impact in the work of ACC and to promote more systematic follow-up of conclusions and agreements reached in the Committee.

14. At each session, ACC will henceforth concentrate on two or three substantive issues, apart from agenda items relating to administrative (including personnel) questions. ACC will normally expect one of its subsidiary bodies to take the lead in preparing for the discussion of each specific item. Where appropriate, one or two organizations may also be designated as lead agency/agencies for the preparation of given items.

15. In order to enable ACC to have focused discussions, the ACC secretariat shall arrange to have concise documents prepared, containing a synopsis or analysis of the issues involved. These documents will indicate agreements reached as well as any differences of views that may have emerged during the course of their preparation, and will contain specific proposals for action by ACC. In other cases, the Chairman or members of ACC may propose possible conclusions for adoption by ACC. The outcome of the ACC sessions - consisting of the conclusions drawn, views adopted or decisions taken - will be approved by ACC before it adjourns, or, when so directed, by the Organizational Committee on its behalf, following the ACC session. A report on actions taken to follow up on the conclusions reached by ACC at each of its sessions will also be available in advance of each session.

16. As far as the calendar of meetings is concerned, the practice of holding two regular sessions a year, one in the autumn in New York, during the General Assembly, and the other in the spring at another venue, was confirmed. Apart from the regular sessions, the Chairman of ACC may, in consultation with members of ACC, convene special sessions of ACC on issues requiring urgent ACC attention. Outside the framework of ACC, the Secretary-General has the option, either on his own initiative or at the request of one or more members of ACC, of organizing meetings on issues which, because of their nature or urgency, require consultation with executive heads of the agencies concerned.

17. During the period under review, ACC also completed a thorough review of the various inter-agency bodies reporting to it, which has resulted in a considerable streamlining and consolidation of its subsidiary machinery. This rationalization of ACC's subsidiary structures, and their reorganization with a new focus on linkages among issues and programmes, is intended to meet the requirements of ACC itself for improved and more coherent preparations for its own discussions. It is also an integral part of the effort to enhance the responsiveness of the inter-agency machinery to the requirements of intergovernmental bodies and to enable ACC to provide more integrated support to these bodies, as it relates to both policy coordination and programme development.

18. The new structures of ACC are centred around two consultative committees - the Consultative Committee on Administrative Questions and the Consultative

Committee on Programme and Operational Questions - and on the new Inter-Agency Committee on Sustainable Development, which is dealt with in section II below. Apart from the Organizational Committee of ACC and a limited number of subcommittees reporting to it, the Consultative Committee on Programme and Operational Questions, or the Inter-Agency Committee on Sustainable Development (see paras. 23 and 30-31 below), other sectoral subsidiary bodies have been discontinued and their terms of reference absorbed, as necessary, by the main committees. 1/

19. These measures are without prejudice to technical consultations which the United Nations or the agencies, in their sectors of competence, may need to undertake on ongoing programmes requiring inputs from other organizations.

20. The new structures thus provide a forum for addressing, in an integrated manner, issues relating to the efficient management of the human and financial resources at the disposal of the system. They also respond to the need for close interaction between policies and operations. And they reflect the importance of the concept of sustainable development, as an integrating framework for the work of the system.

21. With regard to management issues, ACC decided that its Consultative Committee on Administrative Questions should have senior-level representation and be assisted by two components dealing, respectively, with personnel and financial questions. This committee will meet in brief sessions, when ACC decides that important policy issues need to be addressed; otherwise, its two components will continue to meet separately, with members drawn from the respective technical services of the organizations concerned.

22. The terms of reference of the new Consultative Committee on Programme and Operational Questions, resulting from the merger of two separate committees dealing, respectively, with programmes and operations, place emphasis on the mobilization of the analytical, normative and operational capacities of the system in support of economic and social goals and strategies and on strengthening the responsiveness of the system to national objectives and priorities. The Committee will consider and monitor measures to enhance the programming, implementation and cost-effectiveness of the operational activities of the system and prepare recommendations and policy options for consideration by ACC, in response to requests by relevant intergovernmental bodies. Subcommittees reporting to it will deal with statistics and demographic estimates and projections, coordination in matters related to international drug control and issues relating to rural development. The latter subcommittee will also provide inputs to the Inter-Agency Committee on Sustainable Development on issues relating to Agenda 21.

23. The Inter-Agency Committee on Sustainable Development, for its part, will be supported by a subcommittee on water resources and a new subcommittee, yet to be established, which will deal with broad development issues related to the oceans.

24. In the context of this review, a number of areas of particular concern were identified and referred to the appropriate subsidiary body for further study.

25. One relates to the whole issue of the division of labour within the system and related questions of access to resources. Various aspects of the issue were raised in the context of discussions at the High-level Segment of the Economic and Social Council last year on enhancing international cooperation for development: the role of the United Nations system. ACC has, in the first instance, requested its Consultative Committee on Programme and Operational Questions, in consultation with the Inter-Agency Committee on Sustainable Development, to develop a methodology for addressing the relevant issues.

26. Another area of concern relates to information-sharing. Following an initial review of the work of the Advisory Committee for the Coordination of Information Systems (ACCIS), ACC decided to establish an ad hoc task force consisting of senior managers in the concerned organizations under the chairmanship of ITU, to prepare further policy recommendations for its consideration at the October session. The task force will review the status of information technology within the system and related telecommunications infrastructures, technology and standards and will formulate recommendations for improvement, further harmonization and optimal utilization and accessibility. It is expected that the recommendations of the task force will address, in particular, requirements for improving the dissemination and exchange of information both within the United Nations system and between the organizations of the system and member States; and ways of better meeting the information needs of ACC and its standing committees, including issues concerning the mandates, structures and secretariat arrangements for both ACCIS and the International Computing Centre. The concerns expressed in Council resolution 1992/60 will be fully taken into account in this context.

27. Finally, ACC initiated a review of jointly financed secretariats, with a view to considering modalities for enhancing the cost-effectiveness of the support services they provide to relevant ACC bodies. It will act on the matter at its next session.

II. FOLLOW-UP TO THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

28. The United Nations Conference on Environment and Development, held in June 1992, heralded the start of an important new phase of international cooperation for sustainable development, based on the recognition of the need for an integrated approach to issues of environment and development. In 1992 ACC discussed extensively preparations for and follow-up to the Conference, with particular focus on Agenda 21, which sets forth a programme of action for sustainable development. This was in recognition of the important role that the United Nations system has to play in supporting and supplementing the national efforts that are required to implement Agenda 21 successfully.

29. Chapter 38 of Agenda 21 contains a comprehensive set of recommendations related to international institutional arrangements required to ensure effective follow-up to the Conference, including the implementation of Agenda 21. In paragraphs 38.16 and 38.17 of Agenda 21, the Conference stated that effective monitoring, coordination and supervision of the United Nations system in the follow-up to the Conference required a coordination mechanism under the direct leadership of the Secretary-General. It recommended that that task be given to

ACC, which would thus provide a vital link and interface between the multilateral financial institutions and other United Nations bodies at the highest administrative level. The Conference called on all heads of agencies and organizations of the United Nations system to cooperate fully in order to make ACC successful in its important role. It also recommended that ACC consider establishing a special task force, subcommittee or board on the implementation of Agenda 21, taking into account the experience of the designated officials for environmental matters and the Committee of International Development Institutions on Environment and the respective roles of UNEP and UNDP. Moreover, the need for inter-agency coordination arrangements related to the implementation of various sectoral and cross-sectoral objectives of Agenda 21 was highlighted in a number of its chapters.

30. At its first regular session of 1992, ACC established the Task Force on Environment and Development, under the chairmanship of the Director General of FAO with a view to preparing proposals on the follow-up by the United Nations system to Agenda 21. Upon recommendation of the Task Force, ACC decided at its second regular session of 1992 to establish an Inter-Agency Committee on Sustainable Development, to identify major policy issues relating to the follow-up to the Conference by the United Nations system and advise ACC on ways and means of addressing them so as to ensure the effective cooperation and coordination of the United Nations system in the implementation of Agenda 21. In so doing, ACC recognized that none of the existing inter-agency mechanisms had the requisite functions, experience and capacities to fulfil those requirements. The establishment of the Inter-Agency Committee forms part and parcel of the streamlining and improvement of the ACC subsidiary machinery. At its second regular session of 1992, ACC also decided to place a standing item relating to the United Nations system's follow-up to the Conference on Environment and Development on its agenda and adopted a statement on the subject to the General Assembly at its forty-seventh session (A/47/598/Add.1).

31. The Inter-Agency Committee, which constitutes the intermediate level, between coordination of technical work and ACC decision-making in the substantive area of sustainable development, is chaired by the Under-Secretary-General of the Department of Policy Coordination and Sustainable Development and has the participation of senior officials from the organizations which provide the core membership of the Committee (FAO, UNESCO, WHO, World Bank, WMO, UNDP, UNEP, ILO and IAEA). It is open to all members of ACC interested in specific issues placed on the agenda of its sessions. Its composition will be reviewed by ACC after two years. The coordination machinery within ACC for follow-up to the Conference thus comprises ACC itself, the Inter-Agency Committee and the streamlined ACC subsidiary machinery, which will thus ensure complementarity and synergy at technical and working levels.

32. At its first meeting (New York, 23-25 March 1993) the Inter-Agency Committee addressed issues relating to the follow-up to Agenda 21 by the United Nations system. At its first regular session of 1993, ACC noted with satisfaction that the Inter-Agency Committee had initiated a process for the allocation and sharing of responsibilities among the organizations of the United Nations system for implementation of Agenda 21. It agreed that a basic challenge for the system would be to achieve more effective country- and regional-level coordination and to develop closer cooperation among organizations around specific issues and programmes relating to Agenda 21. It

emphasized that mobilization of adequate resources was a key element of the effort to meet that challenge. It welcomed the fact that one of the main issues on the agenda of the first session of the Commission on Sustainable Development would be the role and contribution of the United Nations system in the follow up to the Rio Summit.

33. Following an exchange of views, ACC adopted the following statement to the Commission on Sustainable Development:

"A. ACC welcomes the establishment of the Commission for Sustainable Development and offers its full support to the Commission in meeting the daunting challenge of achieving sustainable development. It looks forward to policy guidance from the Commission in the process of translating the mandates emanating from the Rio Conference, and Agenda 21 in particular, into a coherent set of priorities and programmes for the United Nations system.

"B. In the short time since the Rio Conference, ACC has initiated actions in a variety of ways and at all levels to follow up its decisions. The ACC itself, as the principal inter-agency coordination mechanism for policy decision making, has placed this question high on its agenda. The existing ACC subsidiary machinery and other inter-agency coordination arrangements are being streamlined and reorganized substantially to achieve greater complementarity and synergy in giving practical shape to the programme areas of Agenda 21. The newly established Inter-Agency Committee on Sustainable Development has met and launched a process of intensive review of the activities of the organizations of the UN system with a view to enhancing inter-agency coordination and developing an effective response to Agenda 21.

"C. The results of Rio are having a profound and far-reaching effect on the programmes and priorities of the organizations of the system. They are undertaking intensive reviews of their work programmes, reordering their priorities and wherever feasible shifting resources in order to concentrate on assisting countries in meeting the key objectives of Agenda 21 in their respective areas of competence.

"D. As it begins its first substantive session, ACC wishes to draw the attention of the Commission to three key issues: allocation and sharing of responsibilities for implementation of Agenda 21, coordination of the UN system and financing.

"E. Regarding coordination, ACC intends to ensure that existing activities would be oriented to the implementation of Agenda 21 and the sharing of responsibilities will be defined. The basic challenge will be to achieve more effective country and regional level coordination as well as to develop closer coordination and cooperation among agencies around specific issues and programmes. To these ends, the following process will be pursued:

"(a) At the field level, inter-agency coordination structures will take full account of national and regional objectives of Agenda 21;

"(b) At the international level, each organization will pursue the review of its programming and budgetary processes in the light of thematic areas of Agenda 21 with a view to reordering priorities and reorienting existing activities; identifying additional or new activities that should be carried out in response to Agenda 21 and the corresponding financial requirements; and indicating arrangements for cooperation and coordination with other agencies and whether these are adequate or need improvement;

"(c) Each organization will be requested to indicate programme areas of Agenda 21 for which they would have the capacity to make a substantial contribution and the Chairman of IACSD will designate task managers from the entire system for coordination and joint programming, taking into account the criteria suggested by the ACC Task Force on Environment and Development;

"(d) The reviews mentioned in subparagraph (b) together with the proposals referred to in subparagraph (c) will be monitored by IACSD in order to ensure a coherent and comprehensive response from the system around thematic clusters as defined by the Commission for Sustainable Development. In those instances where these reviews by organizations show either unnecessary duplication of effort or opportunities for co-operation, consultations will be held to resolve differences and promote joint programming.

"F. The Commission will continue to be apprised of measures undertaken by the ACC to ensure that sustainable development principles are incorporated into programmes and processes within the United Nations system and the progress achieved in the incorporation of recommendations of UNCED in the activities of the United Nations system organizations.

"G. ACC notes with concern the slow progress achieved thus far in initiating the implementation of Agenda 21. The commitments undertaken at Rio, have not been followed by commensurate actions for their realization. In this regard, the lack of adequate financing is among the principal constraints in all countries. Renewed political will and concerted action is needed to overcome this constraint.

"H. The United Nations system has been called upon to assist countries in fulfilling the objectives of Agenda 21. As stated earlier, ACC has initiated a number of steps to mobilize the energies and experience of the system for a coherent and coordinated response to this vast and complex challenge. Every effort is being made to enhance the efficiency of resource use through more effective coordination at the country, regional and global levels and utilization of possibilities for cooperation to achieve synergy. Nevertheless, the imperative need to provide additional funding to meet the new mandates stemming from Agenda 21 must be recognized. ACC notes with concern that despite the commitments undertaken at Rio, funding for mandated programmes has not been forthcoming. In particular, the replenishment of the International Development Association (IDA), has fallen short of expectations.

"I. It is essential that the replenishment of the International Fund for Agricultural Development (IFAD), the Global Environment Facility and the financing of the Capacity 21 Initiative and the UNEP Environment Fund be at an adequate level. ACC further notes the great need for financing of activities at the country and local levels which remain unmet. This gap needs to be bridged urgently if the sustainable development objectives of UNCED are to be realized.

"J. A number of intergovernmental processes such as the global conference on the sustainable development of small island developing States, the intergovernmental negotiating committee on a convention on desertification and the intergovernmental negotiations on chemical safety have been or are being initiated in pursuit of the decisions of UNCED. The organizations of the system are required to contribute substantively to these processes. The budgetary resources of the agencies and organizations of the system are not adequate for these new activities. Clearly, action is needed in the appropriate governing bodies of the system and by the international community to meet these additional resource requirements.

"K. In conclusion, ACC wishes to renew its commitment to meet the challenge of promoting sustainable development. It recognized the critical role of the United Nations system as the global framework for realizing the objectives of Agenda 21. ACC underlines, once again, the importance of ensuring a coherent, well-coordinated and adequate response to this challenge by the United Nations system. It reiterates its determination to undertake all necessary steps towards this objective. The full support of Governments will be critical to the success of this endeavour. ACC looks forward to such support."

III. COORDINATION OF HUMANITARIAN ASSISTANCE: EMERGENCY RELIEF AND THE CONTINUUM TO REHABILITATION AND DEVELOPMENT

34. At its first regular session for 1993, ACC had a wide-ranging discussion on the coordination and effectiveness of humanitarian assistance provided by the United Nations system, including emergency relief and the continuum to rehabilitation and development. Those issues were regarded by the organizations of the system as among the most important and urgent challenges facing the international community.

35. ACC noted the dramatic increase, in recent years, in ethnic strife and civil conflicts. The United Nations system was increasingly called upon to provide protection as well as humanitarian assistance to the victims of intra-State conflicts and natural disasters, and, at the same time, to seek to address the root causes of those situations.

36. Recognizing the importance of coherent, effective and timely response to those emergencies, members of ACC expressed appreciation for the decision to establish the Department of Humanitarian Affairs within the United Nations. They commended the efforts of the Secretary-General and the Department to strengthen inter-agency coordination and ensure an integrated approach with political and peace-keeping activities, while maintaining the impartiality of

humanitarian action. In that context, ACC noted that the Department's role was not to assume operational responsibilities but to promote effective inter-agency cooperation and an optimum utilization of the distinctive capacities and expertise of the organizations and agencies of the United Nations system.

37. Several issues pertaining both to the coordination and effectiveness of emergency relief and to the continuum to rehabilitation and development were reviewed.

38. Reference was made to the United Nations role in "silent emergencies", such as the southern African drought, where timely United Nations system interventions had averted major disasters and large-scale suffering. The importance of preventive action and of making effective use of early warning indicators was underlined. The role of non-governmental organizations in galvanizing timely humanitarian responses was also highlighted.

39. The need to work towards a more rapid response capacity by the system as a whole to emergency situations was generally acknowledged. In that regard, ACC took note of the proposal to dispatch United Nations emergency teams, composed of experts from the United Nations system, in the initial phase of an emergency operation, under the authority of the Secretary-General.

40. With regard to disaster prevention, mitigation and preparedness, ACC members reiterated their support and commitment to the objectives of the International Decade for Natural Disaster Reduction. Stressing the need to heighten public and government awareness of the central importance of vulnerability-reduction measures, ACC expressed the hope that that requirement would be given special attention in the future activities of the Decade.

41. Coordination arrangements under the aegis of the Department were reviewed by ACC. The work of the Inter-Agency Standing Committee was generally appreciated. It was noted that the Committee should be an action-oriented body, focusing on the allocation of responsibilities among the various operational bodies, in the light of their respective mandates and capacities, and on arrangements for coordination at the field level. Questions relating to information flows and information sharing and the focal-point role of the Department in that regard were also reviewed. The importance of providing comprehensive information to Member States on how contributions for emergency operations were being utilized was generally recognized.

42. The modality of entrusting primary responsibility for the implementation of humanitarian programmes in specific emergencies to a single agency or organization, under the overall coordination of the Department, was considered. It was suggested that the matter be further examined, in the context of the work of the Inter-Agency Standing Committee.

43. The effectiveness of the "consolidated appeals" process was discussed. The Standing Committee and its support structure were requested to examine ways of improving the process. It was also considered that the development agencies should be associated in an appropriate way with the relevant work of the Standing Committee, so that the emergency-development continuum might be increasingly brought into focus.

44. ACC recognized that the emergency-development relationship was not a linear one and that emergency responses should be so designed as to facilitate initiatives for rehabilitation and development. Job creation and national capacity-building, bearing in mind the pivotal role which women could play in rehabilitation as well as reconstruction and development, were considered especially important. The need for concerted system-wide approaches, while taking into account the constraints imposed by the respective mandates of the development agencies and of those concerned with emergency response, was recognized. The importance of involving Governments fully in the preparation of both assessments and appeals which addressed relief, rehabilitation and development needs was likewise stressed. The need for the Department, through the Standing Committee, to develop strategies for the mobilization of resources not only for emergency humanitarian needs but also for supporting rehabilitation activities as part of the continuum to development was emphasized.

45. ACC noted with deep concern that situations where relief workers were called upon to carry out humanitarian activities in ever-growing dangerous conditions continued to increase. The need to enhance the security and safety of humanitarian personnel was emphasized. ACC welcomed the recent actions of the Security Council in that regard.

IV. OPERATIONAL ACTIVITIES FOR DEVELOPMENT

46. ACC, with the assistance of CCSQ/OPS, continued to focus its efforts on improving the coherence and effectiveness of operational activities for development, with particular emphasis on field coordination. The full implementation of General Assembly resolutions 44/211, 46/219 and 47/199, as well as related decisions of other governing bodies, received priority attention in this regard.

47. The main issues addressed and the action taken thereon are set out below.

A. Reform and restructuring

48. ACC and CCSQ/OPS reviewed relevant issues arising from the reform and the restructuring of the United Nations and the implications they might have for operational activities of the United Nations system. A senior-level seminar was held on the subject under the auspices of CCSQ/OPS.

B. Triennial policy review of operational activities

49. CCSQ/OPS recalled the importance attached by the organizations of the system to close inter-agency consultations in the preparation of such reports and expressed the hope that a fully participatory approach would be possible in the future. The Committee also noted the desirability of seconding staff from organizations of the system to assist in the preparation of future reports, thereby ensuring that the experience of all organizations of the system would be duly reflected.

50. CCSQ/OPS further noted both the action already taken or planned on some of the recommendations emerging from the triennial review and contained in the report and the possible implications of other recommendations for its future programme of work.

51. In accordance with paragraph 53 of General Assembly resolution 47/199, CCSQ reviewed in March 1993 a draft work plan on the implementation of the resolution over the next three years. It was agreed that a revised version of the work plan would be reviewed in early June 1993 at an intersessional meeting of CCSQ, prior to its submission to the Economic and Social Council.

C. Country strategy note

52. In line with resolution 44/211, in which the General Assembly had called for the provision of a general framework of broad objectives for the operational activities of the United Nations, ACC, with the assistance of CCSQ/OPS, had earlier agreed on basic principles and procedures for the elaboration of common United Nations country strategies. Following the adoption of resolution 47/199, in which the Assembly provided guidelines for the formulation of "country strategy notes", 2/ CCSQ, at its first session of 1993, reviewed its previous agreement and agreed on a text on the subject to be issued by the United Nations to resident coordinators.

D. Programme approach

53. In pursuance of paragraph 17 of General Assembly resolution 44/211 and paragraphs 13 and 14 of General Assembly resolution 47/199, special attention was devoted to the programme approach. With the assistance of CCSQ/OPS, ACC adopted in 1992 a "guidance note" concerning objectives, definitions and guiding principles of the programme approach. The note provides a common context in which guidelines may be developed to meet the specific requirements of different organizations. It has provided a framework for the specific operational guidelines developed by two organizations of the system.

54. Furthermore, in accordance with paragraphs 13 and 14 of General Assembly resolution 47/199, CCSQ, at its first session of 1993, again reviewed the question of a common interpretation of the programme approach and reached agreement, based on its previous work and a further analysis of the subject. A text was developed which will serve as an input into the progress report of the Secretary-General to the Economic and Social Council at its substantive session of 1993.

E. National execution

55. CCSQ/OPS has given considerable attention to developing a common understanding on national execution. Further to paragraphs 22 and 23 of General Assembly resolution 47/199, CCSQ, at its first meeting in 1993, agreed on a common interpretation and guiding principles on national execution for application on a system-wide basis. The common understanding recognizes the principle of direction and control by recipient countries of programmes and

projects and the need to enhance capacity, self-reliance and sustainability and more effectively integrate external inputs with national development activities, in order to ensure greater relevance and impact. This common agreement will be conveyed to the Economic and Social Council in 1993 in the Secretary-General's report.

F. National capacity-building

56. CCSQ/OPS reviewed a number of issues in national capacity-building. It agreed that, while issues of terminology and concepts had been clarified, there remained a clear need for a more coordinated approach to national capacity-building by the United Nations system. It was agreed that organizations would prepare a brief note on the subject as a basis for developing a coordinated approach through a working group. Comprehensive notes on successful examples of collaboration in such areas as programming would be prepared as part of the effort.

G. Successor arrangements for support costs

57. CCSQ considered the report of the Task Force on progress made and the implications of the guidelines for the implementation of the new arrangements. It agreed that the work required continuous monitoring by UNDP and the agencies. CCSQ took note of the important implications of the current situation in regard to support costs for organizations covered by the old arrangements. It was agreed that the Task Force would continue to review pending issues and report on them to the Committee. CCSQ also agreed that small technical agencies would be invited to the next meeting of the Task Force.

H. Decentralization

58. CCSQ stressed the importance of the continuing work of its members on decentralization and their collective responsibility to develop a system-wide understanding of concepts, principles and approaches. It agreed on a text elaborating objectives and guiding principles which would constitute a common framework for the system to achieve the degree of decentralization of capacity and authority being urged by the General Assembly in resolutions 44/211 and 46/219. The Committee agreed that each organization would review the level of authority decentralized to its respective field representatives so as to achieve more uniform degrees of authority among field representatives of the system and thereby facilitate collaboration within country teams.

59. CCSQ took note of paragraph 25 of General Assembly resolution 47/199 and noted in particular that its provisions on decentralization and delegation of authority were addressed primarily to governing bodies. The Committee further noted that CCSQ/OPS had agreed in 1992 on objectives and guiding principles for decentralization and that a working group on decentralization led by WHO was seized of the matter and would report to the Committee at its next session.

I. Field-level collaboration

60. CCSQ/OPS undertook to monitor the relevance and impact of various guidelines issued with the aim of enhancing field-level collaboration between organizations of the system. Country profiles of field collaboration arrangements were prepared for four countries, which revealed a growing level of collaboration. The profiles provided useful information on successful collaboration arrangements which might be replicated in other relevant country circumstances. Further profiles are in preparation.

J. Programme of Action for the Least Developed Countries for the 1990s

61. In pursuance of its initiative in providing guidance to headquarters and field structures of member organizations for the implementation of the Programme of Action for the Least Developed Countries for the 1990s, ACC, with the support of CCSQ/OPS, endorsed guidelines on the implications of the Programme, which were issued by the United Nations to resident coordinators and field staff of the system.

62. ACC also adopted the following statement prepared by CCSQ:

> "ACC agrees that the organizations of the United Nations system have a major role to play in advocating the cause of the least developed countries, both in helping them formulate and put into effect sound and operationally relevant development and sectoral policies and in contributing to directing increased flows of assistance to them. ACC urges the organizations of the United Nations system to continue to be actively involved in the implementation of the Programme of Action throughout the 1990s and to give full support to the development efforts of the least developed countries."

K. Simplification and harmonization

63. CCSQ/OPS continued its review of this subject and reaffirmed the willingness of members to respond to the specific needs of recipient countries, bearing in mind that a major aim was to reduce the burden on their administration. CCSQ/OPS noted that, in paragraph 10 of resolution 46/219, the General Assembly had stressed that harmonization efforts should be pursued in the framework of enhanced accountability.

64. CCSQ, at its March 1993 session, took note of the preliminary steps taken by the United Nations and the Joint Consultative Group on Programmes (JCGP) on both the implementation of paragraphs 33 and 34 of General Assembly resolution 47/199 on a common United Nations system manual and the simplification and harmonization of rules and procedures relating to operational activities. An open-ended working group of JCGP was created to address the two issues, and CCSQ will take follow-up action in the light of its recommendations.

L. Organizations without independent field representation

65. CCSQ/OPS reviewed the implication of measures it had identified to ensure optimal utilization of the technical know-how and experience of organizations without independent field representation. ACC endorsed guidelines developed by CCSQ (OPS) to guide action at both headquarters and field levels (in the latter case, taken by the resident coordinator). In agreeing on the measures, CCSQ (OPS) recognized that they would be important to most organizations of the system, since only a few of them had independent representation in all countries. The guidelines have accordingly been issued to the resident coordinators by the United Nations.

M. Refugee aid and development

66. ACC endorsed guidelines developed within CCSQ (OPS) that provide a conceptual framework for work in the area of refugee aid and development and enhance collaboration among organizations of the system. The guidelines were considered to be particularly timely, since the frequency of complex humanitarian emergencies and resultant refugee flows and other involuntary population movements was on the rise. The guidelines have been distributed to member organizations and resident coordinators.

N. Operational activities training

67. As a further measure to enhance the levels of field collaboration, the Committee had launched pilot workshops in 1991 on the management of field coordination for resident coordinators and senior field representatives of the system. The final evaluation of the seven workshops, held during 1991/92 and attended by 200 participants, confirmed that the programme had been widely acclaimed and that it should therefore be continued. A senior consultant prepared an inventory and a review of current training programmes of the system in operational activities and an identification of training needs which could be met through a common programme. The Committee accepted the consultant's recommendation on an expanded programme, which would involve an adaptation of the current programme to the country level for United Nations and national staff in about equal numbers, and for other development partners, and a multi-agency project management programme along the lines of those currently undertaken by various organizations, including a capacity for training trainers, either internal to each country or at the subregional level, making optimal use of existing institutions. These programmes will be elaborated by the International Training Centre of the ILO at Turin under the guidance of CCSQ and its Advisory Panel on Training. Full account will be taken of the relevant provisions of General Assembly resolution 47/199 on operational activities training which are consistent with the expanded programme already endorsed by the Committee.

V. PREPARATION FOR THE TWENTY-SEVENTH SERIES OF JOINT MEETINGS OF THE COMMITTEE FOR PROGRAMME AND COORDINATION AND THE ADMINISTRATIVE COMMITTEE ON COORDINATION

68. ACC welcomes the selection by CPC, at its thirty-second session, of the topic for discussion at the twenty-seventh series of Joint Meetings of CPC and ACC: "Results of the United Nations Conference on Environment and Development and their implications for the United Nations system". ACC also notes with appreciation the acceptance by CPC of the suggestion made by OC that the twenty-seventh series of Joint Meetings be held in the fall, in conjunction with the second regular session of ACC of 1992. It agrees with CPC on the need for adequate preparation for the Joint Meetings. ACC, with the assistance of the Inter-Agency Committee on Sustainable Development, will prepare a background paper identifying issues for discussion at the Joint Meetings.

VI. ASSISTANCE TO COUNTRIES MOST AFFECTED BY SANCTIONS CONCERNING IRAQ, IN THE CONTEXT OF ARTICLE 50 OF THE CHARTER OF THE UNITED NATIONS

69. Pursuant to the recommendation contained in paragraph 161 of the report of CPC on the first part of its thirty-second session (A/47/16, part I), the Secretary-General addressed a letter to the relevant organs, organizations and bodies of the United Nations system, including the international financial institutions and the regional development banks. By that letter the Secretary-General requested components of the United Nations system to provide him with updated information on measures undertaken and progress achieved by them in 1991-1992 regarding assistance to the 21 countries that had invoked Article 50 of the Charter of the United Nations, in order to alleviate the special economic problems arising from their implementation of Security Council resolution 661 (1990) concerning the situation between Iraq and Kuwait.

70. A total of 27 replies was received in response to the Secretary-General's letter. They included responses from the following specialized agencies: ILO, FAO, UNESCO, WHO, the World Bank, IMF, IFAD and UNIDO, plus GATT. As regards the United Nations sectoral entities involved, seven of them - UNDP, UNEP, UNFPA, UNRWA, UNCHS, UNHCR and WFP - also responded. In addition, information was provided by four United Nations regional commissions - ECA, ECE, ECLAC and ESCAP - and by five regional development banks - African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank and Islamic Development Bank.

71. On the whole, the replies from the relevant agencies, organizations and bodies of the United Nations system indicate that they all share concern about the special economic problems of the 21 affected countries and have all taken due note of the recommendations of the Security Council Committee established by resolution 661 (1990) and the follow-up appeals for assistance. Accordingly, most of them, within their respective mandates, programmes of work and available financial resources, have intensified their assistance to the countries concerned. In addition to existing assistance activities and technical cooperation programmes for the countries in question, many specialized agencies (ILO, FAO, the World Bank, IMF, UNESCO and WHO) and United Nations funds and programmes (UNDP, UNEP, UNFPA, UNRWA and WFP) have undertaken emergency measures

and launched special assistance projects, with a view to mitigating the immediate hardships encountered and urgent needs faced by the affected countries. In terms of direct financial assistance, a prominent role has been played by the World Bank, IMF, and the regional development banks. Although most of the emergency assistance operations have been completed, ongoing activities continue to take account of the special economic problems of the affected countries. Furthermore, several agencies, in particular FAO, UNESCO, IFAD and UNIDO, have expressed their willingness, within their competence and to the extent resources permit, to identify and implement additional assistance projects, with a view to further alleviating the impact of the Gulf crisis and redressing its longer-term consequences.

72. However, in the absence of adequate arrangements, mechanisms and procedures for the implementation of measures relating to provisions of Article 50 of the Charter of the United Nations, it has not been possible in all cases to separate distinctly and estimate fully the assistance provided thus far by individual agencies and programmes involved, in compensation for the actual losses and costs incurred by the affected countries. Nor has it been possible to aggregate those data and assess the effectiveness of the collective response of the United Nations system to the appeals launched pursuant to Security Council recommendations regarding the countries concerned.

73. It should be recalled that, in his report "An agenda for peace" (A/47/277-S/24111), the Secretary-General expressed the view that, in circumstances in which peacemaking requires the imposition of sanctions under Article 41 of the Charter of the United Nations, it is important that States confronted with special economic problems not only have the right to consult the Security Council regarding such problems, as Article 50 provides, but also have a realistic possibility of having their difficulties addressed. Accordingly, the Secretary-General recommended that the Security Council devise a set of measures involving financial institutions and other components of the United Nations system which can be put in place to insulate States from such difficulties. Such measures would, indeed, be a matter of equity as well as a means of encouraging States to cooperate with decisions of the Council.

74. In response, the Security Council adopted a statement made by the President of the Council at its 3154th meeting (S/25036, 30 December 1992). In particular, the members of the Security Council expressed their determination to consider the matter further and invited the Secretary-General to consult the heads of international financial institutions, other components of the United Nations system and Member States of the United Nations and to report to the Security Council as soon as possible. The process of consultations has accordingly been initiated, and the Secretary-General will report to the Security Council on this matter in the near future.

VII. RESPONSE OF THE ADMINISTRATIVE COMMITTEE ON COORDINATION TO RECENT INTERNATIONAL DEVELOPMENTS

A. Implications for the United Nations system of the transition process in Eastern and Central Europe and in the States of the Commonwealth of Independent States

75. For the past several years, ACC has been monitoring the impact of evolving East/West relations and focusing its discussions on the role of the United Nations system in facilitating the process of change. In 1991, ACC reviewed the economic reforms under way and concluded that, while they were promising in the long run, they would not yield significant economic growth in the short-to-medium term. It therefore decided to concentrate the bulk of its attention on immediate problems, particularly with respect to ensuring adequate resources to meet the needs of the countries in transition, without compromising obligations to developing countries. At a special high-level meeting of the Economic and Social Council on the impact of East/West relations on the growth of the world economy, held in July 1991, it was noted that the vast scope of the fundamental political, economic and social changes taking place in Eastern and Central Europe and in the Commonwealth of Independent States would be accompanied by tensions and difficulties and that the United Nations system had a primary role to play in alleviating them.

76. The importance that the Secretary-General and the organizations of the United Nations system attach to an integrated approach and presence in the region is reflected in the fact that the matter was one of the principal items on the agenda of ACC during 1992. At its first regular session for 1992, ACC held a comprehensive discussion of the implications for the United Nations system of the transition process in Eastern and Central Europe and in the countries of the Commonwealth of Independent States. The issues involved have also been considered by a number of other relevant inter-agency bodies, including CCSQ (OPS) and JCGP, and in bilateral consultations among the organizations concerned.

77. ACC concluded that the provision of assistance to the States in transition was a challenge that would require collective action by the whole United Nations system. A number of basic principles were highlighted, including respect for the territorial integrity of those States, promotion of human rights and respect for minorities. An important focus of United Nations assistance would be the strengthening of democratic institutions and market-economy structures. In the short term, the United Nations would also need to provide diplomatic assistance in settling conflicts and humanitarian assistance, including preventive protection aimed at pre-empting the displacement or facilitating the return of displaced people. At all levels, United Nations organizations and agencies should act in concert in order to avoid duplication of effort. They should work in close cooperation with the Governments of the countries concerned, the donor community and non-governmental organizations to establish a coherent framework of action. The importance of effective coordination was emphasized, as was the need to ensure a systematic flow of information both inside and outside the system, in order to facilitate the best possible use of scarce resources. Executive heads considered that the system should stand ready, subject to the availability of appropriate funding, to put its experience to an increasing

extent at the disposal of countries in transition in Central and Eastern Europe, the Commonwealth of Independent States and Asia.

78. The role of the United Nations system within overall assistance efforts was a major focus of discussion in ACC. Among the major concerns expressed were the need to coordinate United Nations assistance with bilateral activities; the impact on other United Nations system programmes of the assistance being provided to the countries in transition; the needs of developing countries that had been receiving assistance from the former Soviet Union; and the importance of ensuring that a greater share of the resources available from bilateral sources for the countries concerned was channelled through the United Nations system. There was clear agreement on the principle that assistance extended to those countries should not affect global programmes or impair the capacity of the United Nations system to provide assistance to developing countries.

79. The position of the United Nations system at the Coordinating Conferences on Assistance to the New Independent States (Washington, D.C., 24 and 25 January; Lisbon, 23 and 24 May; Tokyo, 29 and 30 October 1992) was based on those considerations. The United Nations system was represented at the first Conference by a unified delegation led by the then Director-General for Development and International Economic Cooperation. At the subsequent Conferences the United Nations system again participated as an integrated team, led by the Director-General of the World Health Organization. The preparation for and follow-up to the Conferences provided the framework for the development of a coordinated United Nations system response to the overall assistance effort.

80. Although each new independent State faces specific problems of transition, requiring assistance tailored to its special needs, the strength of the United Nations system lies in its integrated approach, which addresses the political, socio-economic, environmental and humanitarian dimensions of a situation in a comprehensive way. Joint inter-agency missions that have visited a number of the countries of the region to assess requirements for humanitarian assistance and longer-term development assistance have emphasized both the need to develop a well-coordinated system-wide programme and to avoid straining further the absorptive capacity of the countries concerned.

81. In addition to offering diverse, impartial and cost-effective technical assistance, the United Nations system could provide a framework in which interested multilateral and bilateral parties could work together, focusing on the needs of individual countries, while at the same time addressing regional and subregional concerns. The system could also act as an impartial forum for dialogue on issues involved in the transition process between policy makers in the newly independent countries and those in other regions.

82. At United Nations Headquarters, an Inter-agency Task Force on the New Independent States was established in early 1992. This mechanism acted as a clearing-house for the exchange of information on United Nations activities in the new independent States and organized the participation of the United Nations system delegation in the Coordinating Conferences. A newsletter on the new independent States was published to keep the organizations of the United Nations system, Governments, non-governmental organizations and other interested

constituencies abreast of developments relating to United Nations activities in the new independent States.

83. ACC welcomed the establishment by the Secretary-General of United Nations interim offices in Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Ukraine and Uzbekistan. The offices are available to serve specialized agencies that wish to make use of their administrative services.

B. Inter-agency implications of the eighth session of the United Nations Conference on Trade and Development

84. At the eighth session of the United Nations Conference on Trade and Development (UNCTAD), participating countries called on countries at all stages of development to create a new partnership for development based on the recognition of sovereign equality, mutual interest and shared responsibilities. It was emphasized that strengthened multilateral cooperation was required to help translate broad commitments in the areas of trade and development into sustained growth in the world economy and a reactivation of development in the developing world. UNCTAD, with its central development mission encompassing the interrelationships among a wide range of issues of trade and development, could play a constructive role in the exploration and building of international consensus on these themes. But its work could only be a contribution to a wider effort, a cooperative endeavour that needed to involve the whole of the United Nations system in the attainment of broad objectives agreed on by the international community.

85. At its first regular session of 1992, ACC examined the role of the United Nations system in that respect. The Secretary-General of UNCTAD expressed his deep appreciation for the valuable assistance which all organizations of the United Nations system had provided in the preparatory process leading to the eighth session of UNCTAD. The Conference had marked a turning-point in the history of the institution. It had highlighted and developed common approaches to a number of themes that would dominate the international economic agenda of the 1990s. Agreement had been reached at the Conference on both a comprehensive reorientation of the substantive work of UNCTAD and a far-reaching restructuring of its intergovernmental machinery. UNCTAD was viewed as the appropriate focal point within the system for the integrated treatment of development and related issues in trade, finance, investment, services and technology. Its mandates had been reaffirmed, and it had been considered that its functions would have to be exercised in a dynamic and progressive sequence, beginning with the identification of a relevant set of issues, continuing with high-quality analytical work and in-depth exploration of issues and concluding in a process of intergovernmental interaction to identify areas of convergence and build consensus. That process would in turn culminate, where appropriate, in negotiations undertaken on a selective basis and leading to implementable decisions. The Conference had emphasized that while UNCTAD must discuss and make recommendations and generate political impulses on matters falling within its purview, full respect must be accorded to the competence of other institutions in specific issue areas. UNCTAD's role was therefore to build policy consensus, which would be translated into decisions or rules for action by UNCTAD or other organizations of the United Nations system, in accordance with their own constitutional arrangements.

86. On the basis of the decisions of the eighth session of UNCTAD, the programme of work of the Trade and Development Board had been comprehensively reoriented towards four principal focuses:

(a) International partnership for development;

(b) Global interdependence;

(c) Paths to development;

(d) Sustainable development.

In place of the existing subsidiary bodies, new standing committees had been established on commodities, poverty alleviation, economic cooperation among developing countries and developing services sectors, and ad hoc working groups on investment and financial flows, trade efficiency, comparative experience with privatization, expansion of trading opportunities for developing countries and the interrelationship between investment and technology transfers.

87. In the course of 1992 the Trade and Development Board of UNCTAD adopted terms of reference for all the new subsidiary bodies. All of them have met and adopted their programmes of work.

88. ACC welcomed the readiness of the UNCTAD secretariat to work actively with all concerned organizations towards agreement on concepts and, where necessary, the sorting out of functions and the establishment of operational guidelines and other coordination arrangements in respect of UNCTAD activities that interfaced with their programmes. ACC noted that the UNCTAD secretariat planned to make full use of existing arrangements for consultation with other organizations before its intergovernmental bodies took decisions that might closely affect them. Consultations with respect to draft work programmes and medium-term plans would also continue.

89. In connection with concern expressed about the terms of trade for commodities, the UNCTAD secretariat indicated that it was keenly aware of the acute problems of commodities, the need to improve their terms of trade and the fundamental need to stop and reverse the fall in commodity prices and establish better safety nets. The terms of reference of the new Standing Committee on Commodities set out a number of objectives, including improving the functioning of commodity markets by reducing distortions affecting supply and demand; working towards greater cost-effectiveness and productivity, thereby enhancing competitiveness; achieving a gradual reduction in excessive dependence on the exports of primary commodities through horizontal and vertical diversification of production and exports and crop substitution; progressive removal of trade barriers for commodity products; and improving market transparency.

90. Furthermore, in accordance with its terms of reference, the Standing Committee on Commodities initiated discussions on a world conference on commodities, called for by UNCTAD at its eighth session. Consultations on the possible convening of such a world conference will continue.

VIII. FINANCIAL, ADMINISTRATIVE AND PERSONNEL ISSUES

A. Personnel and general administrative issues

91. ACC has repeatedly requested that United Nations remuneration be restored to a level that would enable the organizations to attract and retain the best staff. In a statement to the General Assembly adopted at its second regular session of 1992, ACC had drawn particular attention to the paramount importance of ensuring that the conditions of service of United Nations common system staff be competitive.

92. In December 1992, the General Assembly adopted resolution 47/216 in which it, inter alia, noted that the comparisons carried out by the International Civil Service Commission (ICSC), in response to a request from ACC, with other major international organizations outside the common system, had indicated that the remuneration levels at those organizations were higher than those of the common system. In the same resolution, the Assembly asked the International Civil Service Commission to complete phase I of its study leading to the identification of the highest paid civil service and, in that context, "to study all aspects of the application of the Noblemaire principle with a view to ensuring the competitiveness of the United Nations common system".

93. With regard to the structure of the salary scale, ICSC had proposed increases of 7 and 11 per cent at the ASG and USG levels, respectively. It was not, however, in a position to submit recommendations to the General Assembly on ACC's proposals for 3 and 5 per cent increases at the D-1 and D-2 levels. The General Assembly - in resolution 47/216 referred to above - decided to revert to the consideration of the conditions of service, including the question of representation allowances of Assistant Secretaries-General and Under-Secretaries-General and equivalent levels at the earliest opportunity.

94. Specific proposals which met with General Assembly approval in 1992 included an increase in the education grant in the United States/dollar area and four other country/currency areas and an increase in the base/floor salary scale by 6.9 per cent.

95. During the period under review CCAQ (PER), at the behest of ACC, produced a series of reports including a study of the salary systems and levels of other international bodies, such as the European Community, the coordinated organizations and the World Bank group, and an analysis of the implications of the United States Federal Employees Pay Comparability Act, which is expected to have a significant impact on pay in the comparator civil service from 1994 onwards. Those issues will continue to receive attention in CCAQ. Issues relating to the structure of the salary scale will likewise continue to be pursued, in the context of creating a more appropriate structural framework for United Nations pay setting and in the development of an appropriate mechanism for rewarding good performance.

96. In 1992, a number of new approaches to the terms and conditions of employment of the Professional and higher grades, reflecting in many cases arrangements made use of by the comparator, were also examined. Some issues remain for further investigation within ICSC in 1993. A number of other

initiatives are likely to be introduced in 1993 in a bid to strengthen organizations' ability to develop and manage their human resources.

97. This emphasis on personnel management concerns will be uppermost in the consideration of a number of reviews developed by CCAQ and its subcommittees which, as appropriate, will be forwarded to ACC for endorsement. They will include guidelines for a policy on sexual harassment; training in performance evaluation; work/family-related issues, such as spouse employment; and upgrading management skills, including the application of management assessment instruments which will allow managerial potential to be identified.

98. As in the past, overall security issues and concerns for particular hardships at the workplace, such as extreme hazards to the health and safety of personnel, will continue to form part of the CCAQ work programme.

B. Financial issues

1. Financial situation of organizations of the United Nations

99. The financial situation of organizations of the system continued to be a subject of serious concern to ACC in 1992. Although the financial regulations of organizations which have assessed regular budgets generally provide that contributions under such budgets are due and payable on 1 January of the year to which they relate, statistics assembled under ACC auspices showed that some $715 million, or nearly 27 per cent of total assessments of about $2,650 million due to the organizations of the system for 1992, remained unpaid at the year-end. Cumulative arrears for prior years amounted to over $406 million, or more than 15 per cent of the 1992 assessments, at the same date. A substantial part of these outstanding contributions for 1992 and prior years was attributable to non-payment of assessments by some of the major contributors under the current scale of assessments of the United Nations.

100. For the United Nations, the situation was aggravated by the non-receipt of substantial amounts of contributions assessed separately from the regular budget for peace-keeping activities. Moreover, for a majority of the organizations concerned, the situation was exacerbated by uncertain prospects of payment from several countries in Eastern Europe, including large contributors in that region. As a result, in a number of organizations, special financial measures to curtail expenditures had to be adopted, to the detriment of substantive programmes and supporting infrastructures.

101. During the year ACC kept the financial status and prospects of the organizations under review in the context of the meetings of CCAQ (FB). Those meetings permitted financial managers to discuss common concerns and inform themselves of action taken or under consideration in individual organizations.

102. ACC also examined the functioning of incentive and penalty schemes designed to speed up the payment of assessed contributions. The review indicated that the two existing penalty schemes, providing for interest charges on late payments, continued to be very effective. The effectiveness of incentive schemes, however, generally providing for some form of rebate for prompt payment, remained doubtful or difficult to determine, except in one case, in

which relatively large sums were available for distribution. Discussions of this subject and the general financial situation and outlook of the organizations were scheduled to continue.

2. Accounting standards

103. Following consultations carried out through CCAQ (FB) with the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency and in response to a request formulated by the General Assembly in its decision 46/445, of 20 December 1991, ACC initiated work at the end of 1991 on the development of common accounting standards for the system. As indicated by the Secretary-General in a report submitted to the General Assembly at its forty-seventh session (A/47/443), it was the aim of ACC that the work should result in significant and substantial progress by the time of that session and that a full set of accounting standards for the system should be completed by the forty-eighth session, after which the standards were to be periodically reviewed and updated under procedures comparable to those through which they had been established.

104. In the course of 1992, development work on the standards proceeded on schedule in the form of meetings of senior accounting specialists from various organizations of the system, convened and monitored by CCAQ (FB). By the end of the year the draft standards had reached a stage at which they could be referred to the Panel of External Auditors for observations, and it was expected that a final text would be completed in accordance with the agreed timetable or at an even earlier date. The common standards could then be taken into account, as requested by the General Assembly in its resolution 47/211 of 23 December 1992, in the preparation of financial statements for the period ending 31 December 1993.

105. The common text is based essentially on standards promulgated by the International Accounting Standards Committee but also takes account of standards developed by professional bodies concerned with accounting in the public sector and practices developed to meet the specific needs of the system. ACC and the Panel of External Auditors have agreed that the common standards should not simply describe existing practice but should prescribe preferred practice to the greatest possible extent. The standards are thus expected to draw accounting principles and methods in the system towards common norms. In this process changes in organizations' existing financial regulations and financial policies are likely to be required.

3. Statistical reports

106. In agreement with the Advisory Committee on Administrative and Budgetary Questions, ACC in 1991 assumed responsibility for the collection, consolidation and presentation of statistical data previously included in the annual reports of the Advisory Committee to the General Assembly on administrative and budgetary coordination of the United Nations with the specialized agencies and the International Atomic Energy Agency. The new series of ACC reports was to cover essentially the same ground as the previous statistical tables of the Advisory Committee and to contain system-wide information on regular budgets and assessed contributions, working capital funds, expenditures and receipts of voluntary contributions, and staff resources.

107. In view of the biennial approach to the programme of work of the Fifth Committee which had been adopted by the General Assembly in its resolution 46/220 of 20 December 1991, both the first and the second of the new ACC statistical reports were submitted for consideration at its forty-seventh session. In its decision 47/449 of 22 December 1992, the General Assembly requested that the next such report should be submitted at its forty-ninth session and thereafter every second year, and that information on assessed and voluntary contributions paid by Member States and non-member States should be added to it. ACC intends to consider in 1993, through CCAQ (FB), means of making this addition and other improvements to the reports.

4. Other financial issues

108. In the course of its work on budgetary, financial and related questions in 1992, ACC also, inter alia,

(a) Endorsed the agreements reached by organizations having their headquarters or major offices in Geneva on rates of exchange and inflation to be assumed in proposed budgets covering 1994 and 1995. Those agreements were intended both to form the basis for a common approach to the costing of expenditure estimates for Switzerland and, more generally, to provide a point of reference in the costing of organizations' budget proposals;

(b) Undertook, through the United Nations in the first instance, consultations aimed at reaching agreement with the Commission of the European Communities on financial and administrative conditions for humanitarian and operational activities financed by the Communities and implemented by organizations of the system. It was hoped that the development of mutually satisfactory arrangements would permit the volume of such activities to be expanded considerably in the future;

(c) Arranged to continue independent surveys of support costs incurred in organizations having the largest UNDP-financed field programmes. Those surveys, initiated in connection with the new regime of support costs of UNDP, were expected to provide on a regular basis data of a kind not previously available and a methodology capable of being extended for management purposes, both to other organizations and to field activities financed from other sources;

(d) Continued confidential interorganizational exchanges on means of detection and prevention of fraud;

(e) Assembled and reviewed extensive data on the cost of organizations' health insurance schemes, as a basis for such management measures as might be found necessary to control such costs;

(f) Endorsed, in consultation with the International Standards Organization, the principle of development of common country and currency codes for use in the financial and administrative operations of organizations of the system, particularly in cooperative and common procurement.

Notes

1/ In addition, the subsidiary structures of ACC include two other bodies - the Subcommittee on Nutrition (SCN) and the Advisory Committee for the Coordination of Information Systems (ACCIS) - whose functioning and reporting arrangements are currently under review.

2/ Paragraph 9 of resolution 47/199 reads

"Stresses that, on the basis of the priorities and plans of recipient countries, and in order to ensure the effective integration of assistance provided by the United Nations system into the development process of countries, with enhanced accountability, and to facilitate the assessment and evaluation of the impact and sustainability of that assistance, a country strategy note should be formulated by interested recipient Governments with the assistance of and in cooperation with the United Nations system under the leadership of the resident coordinator in all recipient countries where the Government so chooses, taking into account the following:

(a) The country strategy note should outline the contribution the United Nations development system could make to respond to the requirements identified by recipient countries in their plans, strategies and priorities;

(b) The contribution of the United Nations system to the country strategy note should be formulated under the leadership of the resident coordinator, in order to promote greater coordination and cooperation at the field level;

(c) The country strategy note should be transmitted to the governing body of each funding organization as a reference for the consideration of its specific country programme;

(d) The specific activities of each funding organization of the United Nations system, within the broad framework of the country strategy note, should be outlined in a specific country programme prepared by the recipient Government with the assistance of the funding organizations."